
HANDBOOK FOR IMPLEMENTING THE ALTERNATIVE BASE PERIOD (Volume VI)

by

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This volume, **Handbook for States Implementing the Alternative Base Period**, was prepared by Planmatics. It is one of six volumes on the evaluation of the alternative base period for unemployment insurance, conducted by Planmatics for the U.S. Department of Labor Contract No. K-54355008030. **Volume I, Summary of Findings on the Alternative Base Period**, summarizes the information presented in Volumes II through VI. **Volume II, Impact of the Alternative Base Period on Administrative Costs**, contains descriptions of the processes and procedures resulting from implementing ABP and estimates of implementation and administrative costs. **Volume III, Impact of the Alternative Base Period on Employers**, contains analyses of the effects of ABP on employers and descriptions of reporting formats and mediums used. **Volume IV, Impact of the Alternative Base Period on the Trust Fund**, contains analysis and simulations of the impact of ABP on the trust fund in five states. The Urban Institute was responsible for the contents of this volume as a subcontractor to Planmatics. **Volume V, Demographic Profile of UI Recipients under the Alternative Base Period**, contains descriptions and analyses of workers eligible for unemployment insurance in New Jersey and Washington and comparisons with regular UI recipients. **Volume VI, Handbook for States Implementing the Alternative Base Period**, contains information on lessons learned from states with alternative base periods and provides guidelines on how to design and implement such systems.

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INTRODUCTION

This handbook is part of a study commissioned by the U.S. Department of Labor to examine the administrative and other costs that states (as well as employers within the states) are likely to incur as a result of implementing an Alternative Base Period (ABP).

Typically, a base period for unemployment claims consists of the first four of the last five completed calendar quarters immediately preceding the filing of a claim. This base period is referred to as the “regular base period.” However, eight states currently offer claimants the option of having their eligibility determined under an alternative period if they are not eligible under the regular base period. This is referred to as the “alternative base period,” or ABP. It uses wages earned in more recent quarters as a basis for determining eligibility. ABP options are available in Maine, Massachusetts, New Jersey, Ohio, Rhode Island, Vermont, Washington and North Carolina.

This handbook is intended to provide guidance on how to reduce costs and promote efficiency in implementing an ABP. It is based on information from UI agency staff and employers from Vermont, Maine, Massachusetts, New Jersey, Ohio and Washington. There are five steps that UI agencies should follow if they wish to implement an ABP. These steps are described in detail in the following pages:

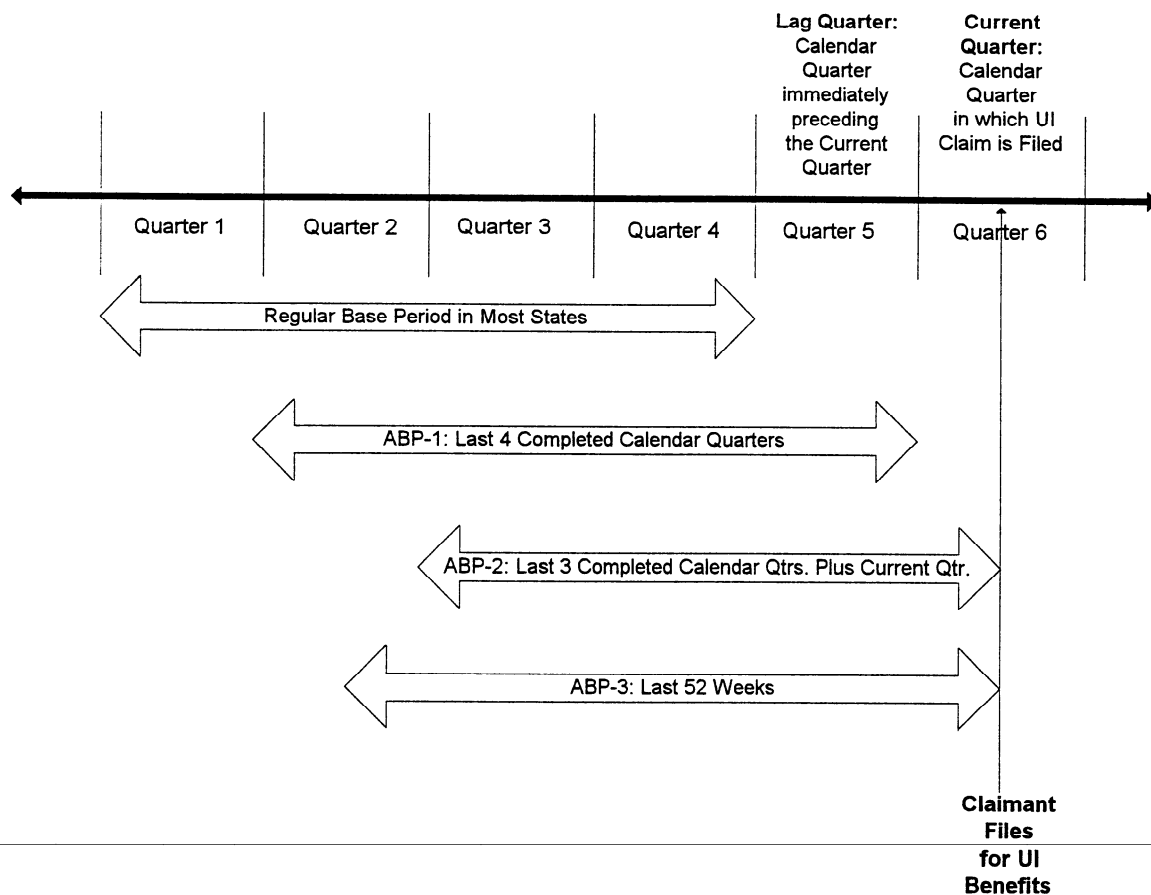
1. Change the law
2. Determine and design necessary changes in the process
3. Implement process changes
4. Determine and design changes in the computer system
5. Implement computer system changes

I. CHANGE THE LAW

There are four main steps to follow in changing the UI law: choosing the type of ABP, choosing a method of obtaining lag and current quarter wage information, determining the statutory changes required, and finally, drafting a model law. These are described below, along with the information needed to implement them.

I.A CHOOSE THE TYPE OF ABP

UI agencies have a choice of three time periods for an ABP. These are shown on the chart and described below.



I.A.1 Last Four Completed Calendar Quarters

UI eligibility statutes have traditionally defined the “base period” as the first four of the last five completed calendar quarters. The justification for this was that agencies needed that time to obtain wage information from employers, process the information, and enter it onto the UI database. However, since technology has significantly increased the speed at which employers can report wages and agencies can enter that information into their computer systems, this justification has come under increased scrutiny.

Most of the states that have implemented an ABP have defined it as the last four completed calendar quarters. The rationale is that with the advances in technology, more lag quarter wages are available on the UI computer system. (The calendar quarter immediately preceding the quarter in which the claim is filed is known as the lag quarter). Typically, if a claimant is not eligible for benefits under the traditional base period, then the UI agency will examine wages earned during the last four completed calendar quarters to determine eligibility.

In terms of administrative costs to both employers and state UI agencies, this appears to be the most cost-effective base period to use.

I.A.2 Last Three Completed Calendar Quarters Plus the Current Quarter

Some states use a second ABP consisting of the “last three completed calendar quarters plus the current quarter” if the claimant is ineligible using the regular base period and the first ABP (consisting of the last four completed calendar quarters).

This advantage of this ABP is that claimants who have only very recent wages can become eligible for UI benefits.

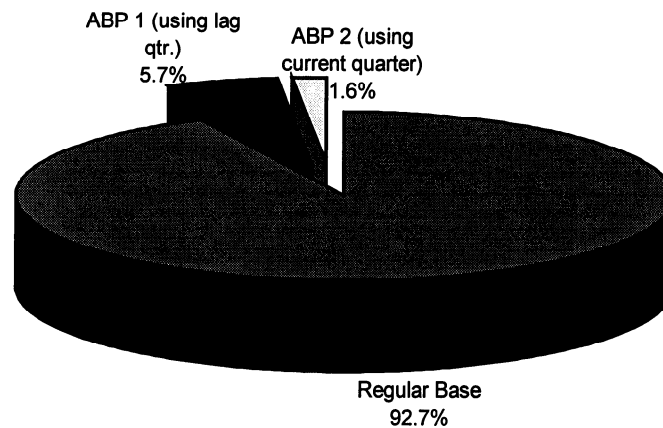
The drawback is that all ABP claims result in wage requests or wage affidavits. Because no state requires employers to report wage information on all of its employees for a given quarter until some date after the end of that quarter, wage data for the current quarter for a particular individual are not available on a state UI agency’s database. That information must be obtained by some alternative means, such as a wage request to the employer or by the claimant’s affidavit. This can substantially increase administrative costs to both the UI agency and to employers.

Another drawback is that the state UI agencies have to record and keep track of the use of partial wages from a quarter. This requires additional programming changes to the computer systems.

The reason for having a second ABP (consisting of the last three completed quarters plus the current quarter or the last 52 weeks) is to increase the number of eligible claimants. However, this increase may not be significant and the state UI agency should balance the increase against the increased administrative costs to the agency and employers. In all the ABP states that allow the use of the current quarter base period as an option,¹ a claim is examined for eligibility under the current quarter only if eligibility cannot be established using a base period that included only the last four completed quarters. Thus, the volume of claims being examined for eligibility under this “second” alternative base period is significantly lower. In New Jersey, the UI eligibles using the last three quarters plus the current quarter accounted for only 1.6% of the total population of UI eligibles.

¹ Except Massachusetts, where an eligibility determination using the current ABP would result in an increase in benefits of 10 percent or more for a claimant

**UI beneficiaries by eligibility criterion in New Jersey
(1996)**



In Vermont and New Jersey, if a claimant fails to qualify for benefits under the regular base period, the UI agency first examines wages earned during the last four completed calendar quarters in order to redetermine eligibility. If the claimant remains ineligible, then a second determination considers wages earned in the last three completed calendar quarters plus the current quarter (the quarter in which a UI claim is filed).

In Massachusetts, the regular base period is defined as the last four completed quarters. The alternative base period is defined as the last three completed calendar quarters plus completed weeks in the current quarter. If a claimant can produce some credible evidence (e.g., paycheck stubs) that his or her benefit amount would increase by 10 percent or more as a result of considering wages from the last three completed calendar quarters plus the current quarter in the benefit calculation, and the state UI agency verifies the information by wage request, then a redetermination is made using wages earned in this second ABP.

I.A.3 Last 52 Weeks

Under this form of ABP, if a claimant fails to qualify for benefits under the regular base period, then the state UI agency will examine wages earned during the 52-week period immediately preceding the week in which the claimant files a claim in order to determine eligibility.

This option creates the maximum degree of “fairness” to the claimant as the most recent wages are considered in determining eligibility and the base period lasts 52 weeks. (The base period consisting of last three completed quarters plus the current quarter always lasts less than 52 weeks.)

The drawback of this ABP is that option would result in higher administrative costs to both employers and state UI agencies than if the last four completed calendar quarters were used.

the ABP consisting of the last three completed calendar quarter plus the current quarters, this ABP too results in wage requests (or wage affidavits) for all ABP claims.

Another drawback is that employers may have to report weekly wages and the state UI agency may have to enter, store, and access weekly wages. This may require additional programming changes to the computer system.

I.B CHOOSE A METHOD OF OBTAINING LAG AND CURRENT QUARTER WAGE INFORMATION

In most states, employers send in quarterly wage reports after the end of each quarter. These wage reports are entered on the state UI computer system and accessed when monetary determinations of UI eligibility need to be made. This system of collecting, recording, and accessing the quarterly wage reports is known as the “wage record system”. Since there is a lag quarter between the regular base period and the filing quarter, the regular base period wages are available of the wage record system. However, a majority of lag quarter wages and none of the current quarter wages are available using this system. There are three possible methods of obtaining lag and current quarter wage information: a pure wage records system, a wage requests system, and a wage affidavits system.

I.B.1 Wage Records System

Under a pure wage record system, a state UI agency uses lag and current quarter wages available on the computer system. If these wages are not available, it waits until quarterly wages reported by a claimant’s employers become available on the computer system before making an eligibility determination using ABP. This system might require a long waiting period to determine eligibility and violate the “payment when due” clause of 42 U.S.C. §503 (a) (1)² Failure to adhere to the “payment when due” standard could jeopardize federal grant moneys earmarked for a particular state. This requirement is discussed in more detail in Section 1,D,2.

Because of this, no state that has implemented the ABP law is currently using the wage record system to handle all of its ABP claims; there is at least one other system in place to handle claims when lag/current quarter wage information is not available on the UI computer system.

1996 data from New Jersey showed that lag quarter wage information is not available on the state UI agency database for 54% of claimants. As a result, 54% of ABP claims using the last four completed calendar quarters require the use of some alternative method of obtaining wage information.

² The “payment when due” clause has been further defined by administrative rule, which states that “[a] state law will satisfy the requirement of section [5]03 (a) (1), if it contains a provision requiring, or which is construed to require, such methods of administration as will reasonably insure the full payment of unemployment benefits to eligible claimants with the greatest promptness that is administratively feasible.” 20 CFR 640.4.

In its original ABP legislation, the State of Washington expressly relieved its state UI agency of any duty to obtain wage data on ABP claimants where such data were not already available on the agency database. Upon being informed that this provision might render the state out of compliance with federal directives, Washington repealed this particular provision of the legislation and replaced it with legislation providing for the use of requests for wage information where that information has not yet been reported for a particular claimant at the time of application.

I.B.2 Wage Request System

The wage request system is currently the most commonly used method of obtaining lag and current quarter wage information. Of the six states that were studied, Vermont, Maine, Washington (during the first four weeks of the quarter), New Jersey, and Massachusetts currently use wage requests as their primary method of obtaining wage information where that information is unavailable on the state UI database.

Under this system, if a claimant's wages are not available from the database of quarterly wages, then wage data are requested from the base period employer(s). This system lends itself to partial automation since wage requests can be generated automatically by the computer system of the UI agency. This limits the amount of paper that must be handled by local office staff. Generally, wage request data are also more accurate than wage affidavit data.

However, one drawback of using wage requests is that they create a delay between the claimant's time of filing and time at which a determination of monetary eligibility can be made. This delay is the result of the time needed for the UI agency to issue the request to the employer; for the employer to receive, complete, and return the request; and for the UI agency to receive it back from the employer. Another drawback is the fact that because some employers do not respond to the wage requests, UI agency staff must contact them by telephone, which increases administrative costs. The wage request system also creates more paperwork for employers, increasing their administrative costs.

I.B.3 Wage Affidavits System

Wage affidavits are a means of obtaining wage data on a particular claimant where these data are not available on the state UI database. Typically, a claimant is asked by UI agency staff to complete an affidavit and present some documentation (e.g., paycheck stubs) of wages earned for the period for which the information is not available on the state UI database. An eligibility determination could then be made based upon the information contained in the affidavit.

Of the states that have implemented an ABP, only Ohio uses the wage affidavit system primarily where wage information is unavailable from the state UI database, while New Jersey and Washington use this system where other methods of obtaining wage information are unsuccessful.

The utilization of wage affidavits as part of an ABP implementation scheme has both advantages and drawbacks. The advantage is that they provide the most expeditious means for obtaining any necessary wage information not available on the state UI database.

The utilization of wage affidavits as part of an ABP implementation scheme has both advantages and drawbacks. The advantage is that they provide the most expeditious means for obtaining any necessary wage information not available on the state UI database.

However, since they require an interview with the claimant and manual entry of all missing wage information by local office staff, wage affidavits are time and labor intensive. The information provided by the claimant, upon which eligibility and benefit determinations are based, is often incorrect and prone to creating overpayments that require amendments to both the benefit amounts and to the employer tax rates. These corrections cost time and money and result in additional administrative costs to employers and to the state UI agency. When overpayments are made, some party must bear the loss. The overpayment can be subtracted from subsequent payments made to the claimant, the state UI trust fund can absorb the loss or, in some cases, the employer may bear some portion of the loss.

Ohio Bureau of Employment Services staff estimate that approximately 90% of the wage affidavits filed do not match the quarterly wages reported and require corrections. Employers who fail to timely submit quarterly wage reports eventually bear the loss via higher experience-rated UI taxes because they forfeit the right to correct the inaccurate information contained in the claimant's wage affidavit.

I.C DETERMINE ADDITIONAL STATUTORY CHANGES REQUIRED

Other statutory provisions or modifications may be required to support effective implementation of an ABP. Those state UI statutes that already address the following issues may require modification, while others may require additional provisions or administrative rules to adequately address these issues.

I.C.1 Timely Employer Response to Wage Requests

States that use wage requests for obtaining lag and current quarter wage information may need a statute that ensures that employers respond to wage requests in a timely manner. Most states require the employers to respond within 10 days of receiving the wage request. Some states also impose a fine on the employers if they do not send in the responses within 10 days.

I.C.2 Timely Employer Reporting of Wage Data

If a high percentage of employers provide timely reports of quarterly wages, there is a greater chance that wage data will be available on the state UI database for a given claimant. In order for a state UI agency to rely upon quarterly wage reports as a primary source of wage data, some mechanism must be in place to ensure timely reporting by a substantial majority of employers. Thus states may use fines or other ways to ensure timely reporting of quarterly wages.

In Ohio, if lag quarter wages are not available, an initial benefit determination is based on information provided by the claimant in his or her affidavit. If this information is later disputed

Employers who have failed to file wage information in a timely manner are denied the opportunity to remedy incorrect information provided in a wage affidavit and may find their taxes increase.

I.C.3 “Reuse” of Wages

Where a claimant uses wages earned in an alternative base period to establish eligibility in a given benefit year, and then files a claim the following year based on wages earned in a regular base period, the base periods may overlap. In order to prevent the same wages from being used more than once to establish more than one benefit year, some states have enacted legislation to prohibit the “reuse” of wages used in a prior benefit year to establish a subsequent benefit year. The statutes enacted in Vermont, Massachusetts, Maine, and Washington prohibit “reuse” of wages already used to establish a previous benefit year.

I.C.4 Claimant to be Informed of ABP Option

According to federal directives, a claimant who fails to qualify for benefits under a regular base period must be informed of the ABP option. The statutes enacted in Massachusetts and New Jersey require that potential ABP claimants be informed of the ABP option if they fail to qualify under the regular base period.

I.C.5 Modification of Base Period where Claimant Was under Disability

Where a claimant was under a disability and unable to earn wages during some part of his or her base period, some state statutes provide for additional modification of the base period under certain circumstances. Both New Jersey and Massachusetts allow for such additional modification. The Massachusetts statute provides that where a claimant received temporary total disability payments for certain illnesses or injuries for at least 7 weeks during the base period, his or her base period is extended by that number of weeks (up to a maximum of 52 weeks). New Jersey’s statute allows for additional modification of the base period if a claimant was subject to certain temporary disabilities immediately preceding his or her benefit year.

I.C.6 Earlier Reporting Deadlines

In most states, state law requires employers to report wage data for any given quarter by the last day of the month following that quarter. Massachusetts included provisions in its ABP statute requiring employers to report wage data within fifteen days of the end of the quarter. The rationale behind the earlier deadline is that wage data will be available on the state UI database an average of fifteen days earlier for any given claimant.

However, many employers have resisted such earlier reporting deadlines. They argue that reporting wages by the 15th of the month following a quarter will prove to be prohibitively expensive, if not impossible.

On the other hand, data provided by New Jersey show that moving the wage reporting deadline to the 15th of the month following the end of the quarter will reduce the number of wage requests by 26%, thus eliminating costs to the agency.

I.D DRAFT MODEL LAW

Every state that has implemented an ABP to date has done so by an act of the state legislature. Generally, the legislatures have changed the law by merely changing the existing legal definition of the term “base period” to include an ABP. A few states have added additional provisions to address contingencies created by the enactment and implementation of an ABP.

While legislators are in a position to understand the general political aspects of ABP legislation, state UI agency personnel are far more knowledgeable about the administration of UI programs. Therefore, the state UI agencies should draft their own ABP legislation to meet these needs cost-effectively while still satisfying the purpose of the ABP law. Ideally, a state UI agency would present lawmakers with the draft legislation early in the process to ensure agency input into the final legislation, and would work closely with legislators to ensure the administrative feasibility of the resulting legislation. The costs of not doing this can be seen in New Jersey, where the state legislature implemented a law that contained fifteen different eligibility criteria. This has produced administrative costs that are much higher than they would be if there were only two or three eligibility criteria (as in the other ABP states).

Common Features of ABP Statutory Schemes for Selected States:

Listed below are common features found in the ABP statutory schemes enacted in Vermont, Massachusetts, Maine, Washington, Ohio, and New Jersey:

All provide for at least one alternative base period.

All except Massachusetts require that the claimant fail to qualify for benefits under a regular base period before an alternative base period may be used. Massachusetts allows an ABP to be used where claimants would qualify for an additional 10 percent or more in benefits.

Vermont, Massachusetts, Maine, and Washington prohibit “reuse” of wages already used to establish a previous benefit year.

Massachusetts and New Jersey require that potential ABP claimants be informed of the ABP option.

Massachusetts and New Jersey allow for additional modification of the claimant’s base period under certain circumstances where the claimant was under a disability at some point during the base period.

Ohio and New Jersey allow for a benefit eligibility determination based on the claimant’s affidavit where wage data are unavailable at the time that the claim is filed.

- In both states, the claimant must furnish supporting documentation where available.
- In New Jersey, the determination of benefits will be adjusted when a quarterly wage report is received from the employer. In Ohio, the determination of benefits will be adjusted when a quarterly wage report is received in a timely manner from the employer.

In addition to drafting the legislation itself, the following are necessary to ensure a smooth, cost-effective ABP implementation:

I.D.1 Provide Information / Receive Feedback from Employers

The business community should be involved in planning ABP changes at the earliest point possible. Their opinions should be considered while drafting the legislation and designing changes to the UI system. Ignoring employers' opinions may lead to difficulties in implementing the law.

For example, in Massachusetts, the quarterly wage reporting date was moved from the 30th to the 15th of the month without asking employers whether they would be able to comply with the modified reporting rules. Once the law was implemented, many employers were unable to report quarterly wages by the 15th of the month and the Massachusetts Department of Employment and Training received many complaints about the modified reporting rules.

The state UI agencies must inform employers about the proposal to implement ABP, the reasons for doing it, and any changes in wage reporting, wage requests, and wage affidavits that are being proposed.

I.D.2 Review Federal Requirements

States contemplating adopting an ABP should be aware of federal funding requirements in drafting their legislation.

Federal law requires that in order to receive federal UI fund disbursements, state laws must be in compliance with certain federal requirements. One of those requirements relates to the timeliness with which the initial benefit payment is made to a claimant. The federal statute states that the Secretary of Labor "shall make no certification for payment to any state unless he finds that the law of such State ... includes provision for ... full payment of unemployment compensation *when due....*" [Emphasis added] 42 USC §503. The "when due" clause has been interpreted by administrative rule to require "payment of unemployment benefits to eligible claimants *with the greatest promptness that is administratively feasible.*" [Emphasis added] 20 CFR §640.4.

In refusing to uphold §1335 of the California Unemployment Insurance Code because it tended to delay payment of claimants' benefits, the U.S. Supreme Court held that any state law that delays the payment of claims beyond the earliest point that payment is administratively feasible violates the "when due" clause of 42 USC §503. The Court suggested that any law delaying the payment of benefits past the point of a hearing of which both the claimant and the employer have received notice and at which they are both permitted to present their respective positions would likely

violate the “when due” clause. [*California Department of Human Resources Development v. Java*, 402 US 121 (1971).]

It is the “timeliness” and “notice and opportunity to be heard” standards established in *Java* that the USDOL uses to judge the conformity of state laws on their face with federal requirements. While they are intended to broaden the pool of potential UI beneficiaries, ABP laws can have the unintended effect of rendering a state out of compliance with federal standards.

The original ABP legislation enacted in the State of Washington, while broadening the pool of potential UI claimants, specifically relieved the state UI agency of any duty to seek wage information from employers where that information was not already available on the state database. Under these terms, if a claimant’s wage information was not available on the state’s database, the claimant could not receive payments until that information became available. Following the standards established in *Java*, the USDOL took the position that Washington’s law failed to comply with the “when due” clause of 42 USC §503 because the law itself prevented “payment of unemployment benefits to eligible claimants with the greatest promptness that is administratively feasible” by specifically relieving the state of any duty to seek wage information from employers.

In addition to examining state laws on their face for *Java* compliance, the USDOL has also established actual performance standards with respect to the timeliness of UI benefit payments. A state must make 87% of its initial (or first) payments to claimants within 2 weeks of the end of the week claimed. The state must also make 93% of its initial (or first) payments to claimants within 5 weeks of the end of the week claimed. Thus, a state that was previously in compliance with this performance standard might find itself suddenly out of compliance as a result of the passage of an ABP. ABP claims typically require a greater amount of time to process than regular claims because the relevant wage information is less likely to be available on the state UI wage database, thus potentially decreasing a state’s “on time” percentage.

Failure to conform with federal requirements can have severe consequences for a state. First, the Secretary of Labor would lack the authority to release federal grant moneys earmarked for that state, including funds under Title III of the Social Security Act, ES (or Wagner) funds, and federal UI program administration funds. In addition, employers in the noncompliant state would be faced with losing the federal tax credits for UI taxes paid directly to the state. By statute, the Secretary of Labor does not have the discretion to overlook “trivial” or “inconsequential” compliance issues.

I.D.3 Avoid Retroactive Laws

When an ABP provision is enacted into law, the state UI agency must make a number of procedural and system changes in order to implement the ABP. Often the new systems and procedures do not function as intended immediately, but require some period of time to eliminate the “bugs.” These initial difficulties can be compounded by provisions in the ABP that allow for retroactive application of the new law.

Retroactive provisions require the UI agency to process claimants made eligible by these provisions. The size of this group will depend primarily on how far back the retroactive provisions extend. In addition, because most of these cases must be handled as exceptions, the average processing time for these claims is greater than that for a non-retroactive claim. Thus, the state UI agency, which may already be struggling with the new systems, case loads, and processes brought about by ABP claims, must manage an entire additional pool of eligible claimants at the worst possible time.

Where a retroactive provision requires a claim to be adjusted back to the date of the original ineligibility finding, the following specific claim processing steps may be required:

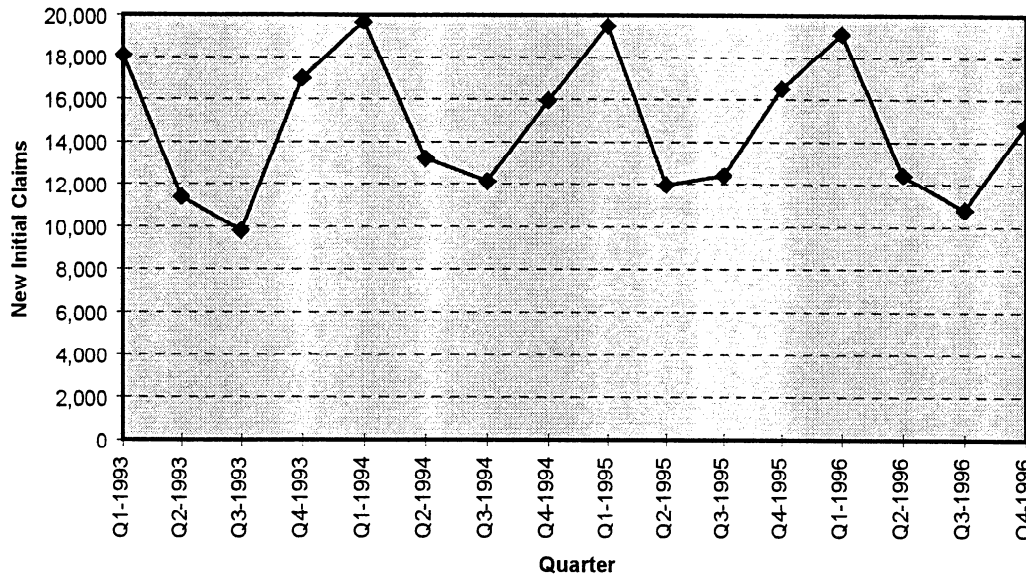
1. Mass mailing to all identified claimants to advise them of the alternative base period provisions.
2. Analysis of claims and wage information for each claimant.
3. Deletion of all subsequent claims and their findings.
4. Entry of original ineligible claims with new findings.
5. Reallocation of payment from the subsequent benefit year to the weeks in the redetermined original benefit year.
6. Adjustment of payment amount since the weekly benefit amounts may differ between the old and new benefit years. Supplemental payments are made or overpayments are established as appropriate.
7. Adjustment to employer charging.
8. Resolution of subsequent employer inquiries related to quarterly employer charging statements.

It is clear that these steps will produce a considerable amount of work.

I.D.4 Recommend Effective Date of Law to the Legislature

In most states, the volume of UI claims varies greatly, depending on the time of the year. For instance, in states whose economies are centered to a significant extent around agriculture, the volume of claims is likely to be heavier during the nongrowing season. Historical data on claims volume data can be analyzed to determine the period of the year that typically has the lowest number of UI claims applications. Analysis of data on new initial claims volume that was provided by several state UI agencies showed that this volume in quarters two and three was consistently lower than that of quarters one and four for most of the ABP states studied.

Quarterly variation in new initial claims in Maine



The principal advantage in implementing changes in the lowest volume period is that the UI staff would be less busy during this period. This may permit UI agency staff to make any necessary changes themselves, and thus would require the use of fewer outside personnel or part-time workers. It might also avoid the need to hire outside vendors to make computer programming changes. Finally, the UI staff will have more time to be trained in the modified computer system and processes and to get accustomed to the new system without the pressures of processing a large number of claims.

II. DETERMINE AND DESIGN NECESSARY CHANGES IN THE PROCESS

II.A PREPARE FOR THE CHANGES IN ADVANCE

Do not wait for the law to be passed to make changes to the system. To ensure a smooth transition, cost-effective implementation, and good service to claimants, state UI agencies should prepare for the changes in the UI system in advance (i.e., before the ABP law comes into effect). If a state agency waits for the law to be passed before beginning to implement the changes, the agency will not have a proper system to handle ABP claims until the system changes are complete, and may have to do it manually, which will result in extra administrative costs and poorer service. For example, the Ohio Bureau of Employment Services had to handle claims manually until their premonetary calculation process was automated. In contrast, the New Jersey Department of Labor was able to implement a complex set of ABP laws with less difficulty because they prepared for the changes in advance.

II.B INVOLVE ALL UI GROUPS IN PLANNING

Implementation of an ABP will require a variety of changes or modifications in the UI administration process. In order to ensure the most equitable and cost-effective implementation possible, all parties that will eventually be affected by the ABP statute should be consulted for input in designing the processes. This includes personnel from UI field operations, administrative services, UI financing, and legislative services.

II.C DETERMINE MODIFICATIONS AND ADDITIONS TO THE INITIAL CLAIMSTAKING AND MONETARY DETERMINATION PROCESSES

Modifications and additions to the initial claimstaking and monetary determination processes are needed if a state implements an ABP. However, since an ABP deals with determination of monetary eligibility, no changes are required in procedures for nonmonetary determinations, appeals, first payments, and continued claims. The only way ABP will affect these processes is through an increase in the number of monetarily eligible claimants.

The modifications and additions to the initial claimstaking and monetary determination processes depend upon the system that has been chosen to obtain lag or current quarter wage information. The options for methods of obtaining this information are a wage record system, a wage request system, and a wage affidavit system. These have been explained in detail in Section 1B.

II.C.1 Wage Records System

Under a wage records system, the only instances where additional processes will be necessary due to the implementation of an ABP is where the state also implements a strategy intended to decrease the amount of time required to get wage information onto the agency database (e.g., accelerated reporting deadlines, mandatory electronic reporting, etc.).

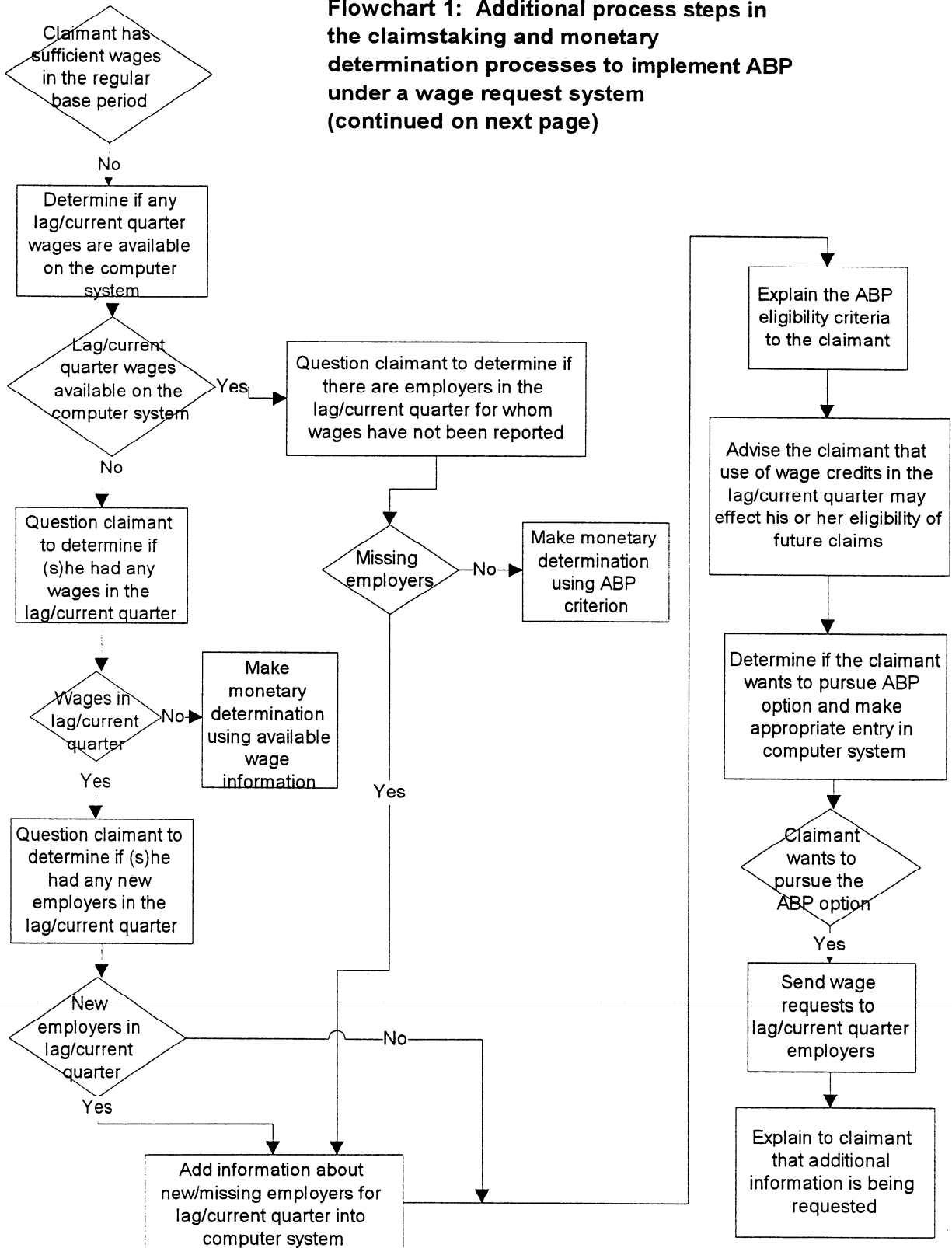
II.C.2 Wage Requests system

Flowcharts 1 & 2 (on the following pages) shows a typical set of processes that a state may need to add to its initial claimstaking and monetary determination processes to implement an ABP.

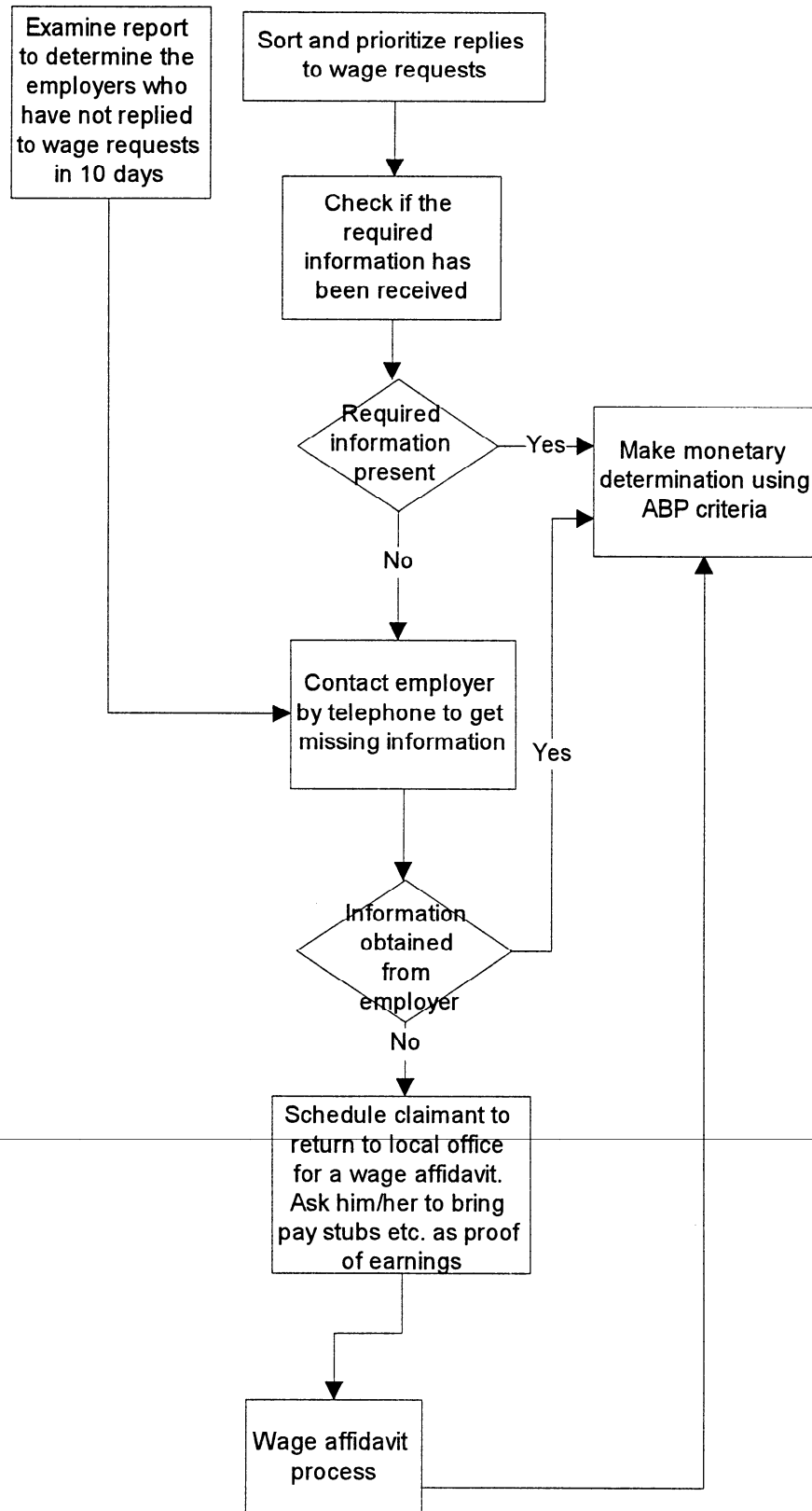
The following activities may need to be added to the claimstaking process:

- If a claimant does not qualify for monetary eligibility under the regular base period, the claimstaker determines if information on any lag or current quarter wages is available in the state UI agency database. If it is available on the computer system, the claimstaker questions the claimant to determine if the wage information is complete. If it is complete, then the claimstaker makes a monetary determination using the ABP criterion.
- If lag or current quarter information is not available on the computer system, the claimstaker questions the claimant to determine if he or she had any wages in the lag or current quarter. If there were no wages during these periods, then the claimstaker makes a determination using the available wage information.
- If the claimant says that he or she had some wages in the lag or current quarter, then the claimstaker inquires if there were employers other than those in the regular base period. If so, the claimstaker obtains information about them from the claimant and enters it on the computer system.
- The claimstaker then explains ABP eligibility criteria to the claimant and informs him or her that use of wage credits in the lag or current quarter may affect eligibility with respect to future claims. The claimant then decides whether to pursue the ABP option.
- If the claimant does not pursue the ABP option, the claimstaker makes the appropriate entry on the computer system and makes a monetary determination based on the available wage information. If the claimant wishes to pursue the ABP option, the claimstaker sends wage requests to lag and/or current quarter employers and explains to the claimant that additional information is being requested.

Flowchart 1: Additional process steps in the claimstaking and monetary determination processes to implement ABP under a wage request system (continued on next page)



Flowchart 2: Steps for handling employer responses to wage requests



The following activities may need to be performed to handle replies to wage requests:

- UI personnel sort the responses to wage requests and put them in the appropriate files.
- They prioritize the wage requests so that the oldest ABP claims are handled first and check the wage requests for missing information. If no information is missing, they enter the information in the computer system and make a monetary determination using ABP criteria.
- If any information is missing, they contact the employer using telephone/facsimile. If they are able to obtain the missing information from the employer, they enter it in the computer system and make a monetary determination using ABP criteria.
- In some states, if the information cannot be obtained from employers, the UI personnel call the claimant and schedule him or her to return to the local office for a wage affidavit. They ask the claimant to bring proof of earnings, such as pay stubs.
- In the wage affidavit process, the UI personnel fill out an affidavit containing the wage information about the lag and/or current quarter, get it signed by the claimant, enter this information on the database, and make the monetary determination using the ABP criterion.

II.C.3 Wage Affidavits

Under a wage affidavit system, a wage affidavit process has to be added to the claimstaking process, and a correction process has to be put into place to handle incorrect information in the wage affidavits. These processes are described below.

The following activities may need to be added to the claimstaking process:

- If the claimant does not qualify for valid monetary eligibility under the regular base period, the claimstaker determines if any lag or current quarter wages are available on the state UI computer system.
- If the lag or current quarter wages are available on the computer system, the claimstaker questions the claimant to determine if the information is complete. If the information on the computer system is complete, the claimstaker makes a monetary determination using the ABP criteria.
- If lag or current quarter information is not available on the computer system, the claimstaker questions the claimant to determine if he or she had any wages in the lag or current quarter. If the claimant did not have any wages in the lag or current quarter, then the claimstaker makes a determination using the available wage information.
- If the claimant indicates that the lag or current quarter employment information is not on the UI computer system, then the claimant's affidavit is used to obtain lag or current quarter wage

information. The claimant lists lag or current quarter wage and employer information on a wage affidavit form and signs the form. If required by state UI law, the claimant presents pay stubs or other proof of employment to the claimstaker.

The following activities may need to be added to the corrections process:

- When the state agency receives the quarterly wage report from the employer, the UI personnel examine the list of claimants for whom wage affidavits were used.
- If there is a discrepancy between the information in the wage affidavit and the information in the quarterly wage reports, the monetary determinations are amended based on the wage information in the quarterly wage reports. The remaining weekly benefits given to the claimants are adjusted so that the total benefit amount is correct.
- If the claimant has already been paid benefits that are more than his or her total corrected benefit amount, then he or she is informed of this and may be asked to refund the amount of the overpayment. Appropriate adjustments may also be made to the employer tax rate.

Since the above process for making corrections requires little human contact, costs can be reduced by completely automating the process. The following modules must be added to the computer system:

- module that cross-checks the quarterly wage reports with the ABP claims
- module that makes amendments to the monetary determinations
- module that adjusts the remaining benefit amounts
- module that adjusts the tax rates
- module that prints out letters for the claimants and employers informing them about the adjustments.

II.C.4 Process changes for Interstate and Combined Wage Claims

Interstate wage claims are those in which a claimant has wages in one state (the liable state) but is residing in and applies for UI benefits in another state (the agent state). In such a case, although the agent state handles the initial claimstaking, the liable state makes the monetary determination. In case of an ABP claim, the liable state is also responsible for obtaining wages from lag and current quarter employers. Thus, the interstate claims office of the state UI agency has to implement wage request processes for ABP claims.

Combined wage claims are those in which the claimant has earnings in more than one state. If a claimant is ineligible under the regular base period of the state where (s)he filed the claim, then his/her eligibility under the regular base period criteria in other states where (s)he had earnings is examined. If the claimant is not monetarily eligible under the regular base period of any of the involved states, then his/her eligibility is examined under the alternative base periods of the involved states (if the involved states have alternative base periods). Since the combined wage claims using the ABP can get complicated, special procedures may need to be implemented to

handle them. It is also suggested that a single person in the Interstate office is assigned the responsibility of handling combined wage claims involving ABP.

II.D DETERMINE CHANGES IN REPORTING MEDIA

In several ABP states, administrative rules and regulations have been enacted to support ABP legislation. These rules and regulations typically address the more specific aspects of implementation and administration of the ABP than the primary legislation. Where detailed issues are not dealt with in the primary legislation, the supporting rules and regulations become critical for successful implementation. Therefore, the UI agency must be proactive early in the ABP legislative process to ensure that the rules and regulations enacted contribute to the manageability of the ABP and are congruous with the primary legislation.

If it is not already included in the ABP legislation itself, the type of wage reporting to be used should be considered during the administrative rule-making process. The advantages and disadvantages of various methods are described below:

II.D.1 Methods of quarterly wage reporting

The implementation of an ABP will require a state UI agency to have more recent wage data available on its UI database than under a traditional base period. Any information not already available on the database will have to be obtained via wage requests or wage affidavits, thus increasing administrative costs to both employers and UI agencies. In a state that utilizes quarterly reporting as at least one source of wage data, the state will always benefit from having the most recent wage data possible on its UI database because it will reduce the likelihood of having to resort to another means of obtaining that information.

The following media are currently being used to report quarterly wage data to state UI agencies:

Paper Forms: Although paper forms are the most common media for reporting wages, they also are the most cumbersome because they take employers and state UI agencies longer to complete and process than computerized information. In addition, errors by both the employers and the state UI agency are more frequent than in other media. However, this type of wage reporting is currently the only feasible option for many small employers who do not have access to the computers or equipment needed to report wages on electronic media. Furthermore, some state UI agencies will only accept wage data submitted in paper format.

Magnetic Tapes: The modern trend, however, is to report wage data on magnetic tapes. By statute or regulation, many states require larger employers to use this method. Wage information stored on magnetic tapes and cartridges can be transferred to the automated wage record system of the state UI agency faster than the same information recorded on paper forms, and with considerably less manpower. This expedited transfer also has the effect of making more wage data available on the state UI database at an earlier date, necessitating fewer wage requests and affidavits.

More recently, employers have begun reporting via a variety of electronic and other media, including computer diskette, the Internet, EDI (electronic data interchange) and telephone bulletin board systems (BBS). These media are described below.

Computer Diskettes: Like magnetic tapes, computer diskettes have shorter processing times and are less susceptible to human error. As a result of advances in technology, computer diskettes will soon have comparable, if not greater, data capacity than magnetic tapes. Computer diskettes are also a more feasible option for most employers due to the expansion of computer use in modern business settings. However, because of the wide variety of payroll software currently available, UI agencies may want to consider specifying a standard format and/or provide employers with standard software for reporting wages.

EDI: EDI is a system used within government and private industry to electronically exchange information within an organization and with other organizations. The advantage of EDI is the almost instantaneous transfer of information, in contrast to the mailing and handling time required for paper forms, tapes, and diskettes. Since EDI is often a key communications tool in large companies, the costs associated with this system are negligible compared with the savings generated in labor costs in a short period of time. However, because most small companies are reluctant to implement EDI due to its high startup costs, only a small percentage of employers have EDI capabilities.

Some state UI agencies are considering EDI as a fast medium for reporting wages. Texas has had an active EDI program for several years.

The Internet: Like EDI, the Internet is being increasingly used in business settings to exchange information. It provides a fast and inexpensive medium for exchanging data and information and is accessible to a vast number of employers. However, issues concerning the security and privacy of data must be resolved before the Internet can become a viable method for reporting wages. Without measures to protect security, the Internet will not provide a safe and reliable way to transmit wage data. Thus, many employers do not currently use the Internet. None of the state UI agencies that were contacted use the Internet to report wages. However, because the Internet is likely to become a principal means of exchanging information in the future, state UI agencies should follow its development closely and be prepared to take advantage of this medium when it becomes more mature and reliable.

Telephone Bulletin Board Systems (BBS): This type of system consists of a modem-equipped computer that runs a special BBS software, modems, and telephone lines to support the anticipated call volume. BBS systems are often used as sources of information and data collection, and to exchange files. Essentially, BBSs provide users with capabilities similar to those of the Internet, but in a smaller, closed circle.

One major drawback of BBSs is that they can only be cost effective when the number of simultaneous connections required is small. Where a large number of lines and modems are needed, BBS systems may become quite costly. On the other hand, a small employer may find the use of BBSs efficient and cost effective.

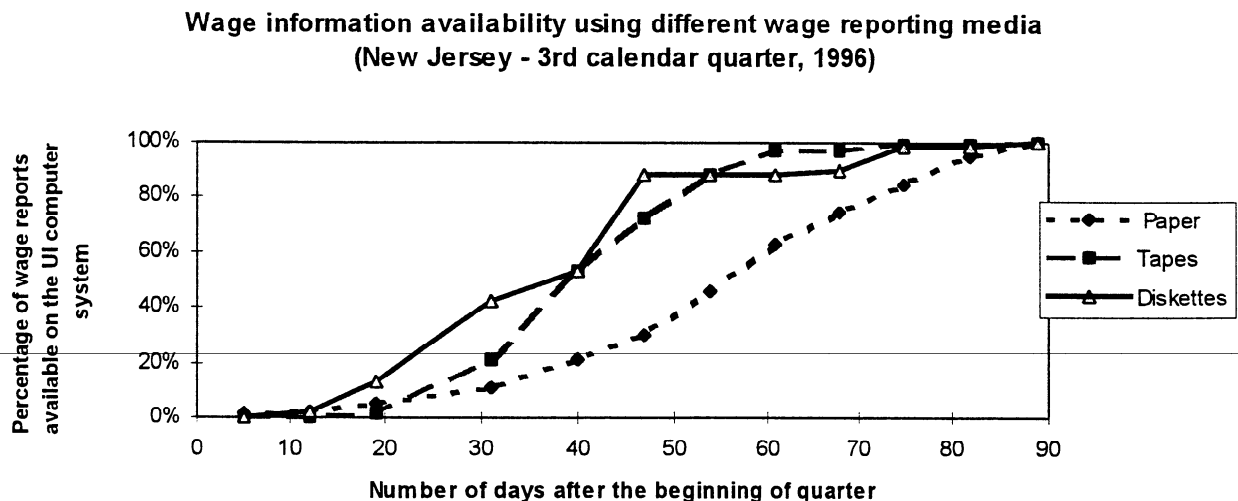
Another major drawback of using BBS systems is difficulty in obtaining technical support. Nevertheless, BBSs are and will continue to be useful in providing a basis for inexpensive, easy-to-use data systems. The Utah Department of Employment Security and the Texas Employment Commission use BBSs to collect data from and disseminate information to employers.

II.D.2 Electronic versus Paper Reporting

Wage records reported to the state on electronic media (e.g., tapes, diskettes, PC, etc.) can be entered into the state UI database in a fraction of the time needed to enter the same information from paper records, making that information available to the UI agency at an earlier date. In addition, the administrative costs of using electronic media to report wages are typically lower than paper for both employers and UI agencies.

During the study that provided the background for this handbook, a number of employers were asked if they could convert to reporting by electronic media. Of those responding to the question, 71.4% said they could convert to wage reporting via electronic media within a reasonable cost. A majority of the larger employers that were asked why they reported on paper forms responded that the state requires them to do so despite the fact that they would prefer to report via electronic media.

The following figure illustrates the variations in wage information availability times in New Jersey using paper forms, magnetic tapes, and diskettes:



III. IMPLEMENT PROCESS CHANGES

III.A DESIGN NEW FORMS, MANUALS, LITERATURE, ETC.

The UI literature will have to be changed to reflect the new ABP law. New forms will have to be created for wage requests and wage affidavits. Other examples include new letters to the local offices of the state UI agency, mailings to previously rejected claimants informing them of their potential eligibility, modifications in the books or guides for employers and claimants that explain the UI laws and processes, modifications in the monetary policy guide, and modifications in the operating manual for UI agency staff. The content of the benefit rights interview (BRI) will also need to be modified to include the ABP law.

III.B PROVIDE TRAINING

A training program should be established to train UI agency staff on the changes that will have to be made in order to implement an ABP. The training should include, at a minimum, an overview of the new ABP law and its implications, the new workflow and procedures resulting from the ABP-related changes, the new and changed forms, and the modified computer system. Some individuals will require additional training according to their specific task areas. Whenever possible, the program should be completed before the ABP legislation becomes effective so that UI agency staff will have a better idea of what changes to expect and be better prepared to handle those changes.

There are several different aspects to providing ABP training. First, the UI agency will need to design the overall training program. The program will require training materials, which must be produced before the start of training. It is recommended, particularly in states with a large number of field offices, that a team be created to train UI agency personnel.

A training plan used by New Jersey in its ABP implementation is shown in Appendix I.

III.C CONDUCT PILOTS WHERE POSSIBLE

Where possible, pilot programs offer state UI agencies an excellent opportunity to implement an ABP program on a reduced scale prior to the full-scale implementation. These programs allow the agencies to test the new system (including forms, manuals, computer system changes, process changes, etc.) and work out any “bugs” prior to the full implementation or mass production of ABP-related documents. Doing this can significantly reduce or even eliminate administrative costs from errors, omissions, or oversights that might otherwise occur during the full implementation of the ABP.

Ideally, UI agencies will want to run a test of all of the projected changes at two or three field offices. UI agencies may find that some of the changes are more difficult or costly to implement than originally expected. Advance notice of such problems allows the agency to adjust any

aspects of the implementation plan before the full implementation, where such adjustments may prove more costly or even impossible.

Pilots were used in Washington to test the wage request system. The pilot helped them to improve the processes and forms, and estimate the employer response.

III.D INFORM / EDUCATE EMPLOYERS

The business community should be informed about upcoming ABP changes at the earliest point possible to allow adequate time for preparations. Just as the state UI agencies will have to implement process and computer system changes, many employers, particularly larger ones using automated employee record systems, will have to do the same. Employer personnel administrators and staff need to understand the changes and how they will affect reporting of information to the state UI agency. Seminars to educate employers might be necessary. The opinions of employers on issues relating to ABP, such as accelerated reporting deadlines, should be considered while designing changes to the UI system. Ignoring employers' opinions may lead to difficulties in implementing the law.

III.E SINGLE CENTRAL SOURCE UI OFFICE

At all stages of the implementation process, there are certain to be questions from headquarters staff as well as field personnel. One individual or office should be designated as a clearinghouse for ABP information. That individual or office should be selected from those most intimately familiar with the ABP implementation process. In addition, this single clearinghouse arrangement will permit the UI agency to compile the most frequently asked questions and disseminate the answers to the entire organization.

IV. DETERMINE AND DESIGN CHANGES IN THE COMPUTER SYSTEM

IV.A COMPUTER PROGRAMMING CHANGES

UI agencies use a computer database system to record all the information related to UI claims and to process most of the transactions related to claims processing activities. The changes that must be made to the UI software depend on the existing routines in the programs and the ABP provisions that are being implemented. These will vary with the type of UI software the states are currently using. Some of changes that are typically made are given below. This list, which is relevant only to those states using a wage request system (as opposed to a wage affidavit system) is not exhaustive and states may have other changes, depending on their UI software systems.

IV.A.1 Changes to the Module that Makes Monetary Eligibility Calculations

The module that calculates monetary eligibility must be changed to include the ABP provisions. Without ABP, this module only checks whether or not the claimant meets the qualifying requirements for wages in the regular base period. With ABP, this module would first check if the claimant meets the qualifying wage requirements in the regular base period. If the claimant does not meet these requirements, the module would check the claimant's eligibility in the alternative base period. (For states having two alternative base periods, if the claim is found monetarily invalid in the first alternative base period, then the module will check eligibility in the second alternative base period.)

IV.A.2 Changes to the Pseudomonetary (or Premonetary) Calculations

During initial claimstaking, when a claimant applies for UI benefits, a pseudomonetary determination is made. This is an informal determination that the claimstaker uses to check if the claimant might be eligible based on the wages present in the database. With the ABP provisions, this pseudomonetary calculation checks the wages in the alternative base periods if the claimant is not eligible in the regular base period using the available wage information.

IV.A.3 Programming for Generation of Wage and Separation Information Requests for Lag and Current Quarter Employees

In most states, wage and separation information request forms are generated by the UI computer system. With the ABP provisions, programming changes need to be made in the on-line routines to allow the UI staff to request wage and separation information from the lag (and current) quarter employers. Programming changes also need to be made in the batch (off-line) routine that prints the wage and separation information request forms for mailing.³

³In the case of Ohio, if lag quarter wages are not available, wage requests are not sent to the employers. Monetary determinations are made on the basis of affidavits taken from claimants. Monetary determinations are corrected

IV.A.4 Programming to Monitor the Wage Requests

Programming needs to be done so that the UI staff can monitor the status of the wage requests that have been sent out. This includes a report that contains information on employers who have not responded to the requests in a timely fashion.

IV.A.5 Reprogramming to Allow the Lag (and Current) Quarter Wages and Employer Information to be Entered on the Database⁴

Without the ABP provisions, the UI software may allow only the regular base period wages and employers to be entered. With the ABP provisions, the software has to be changed to allow the wages and employers in the lag (and current) quarter to be entered.

IV.A.6 Programming to Ensure that the Lag and Current Quarter Wages Are Not Reused

If a claimant uses his or her lag or current quarter wages, he or she cannot reuse these wages for the monetary determination in his/her next benefit year. A module needs to ensure this. This module includes routines that allow the UI staff to tag the lag and current quarter wages if they have been used. It also includes routines to ensure that the tagged wages are not reused.

IV.A.7 Changes in Screens

The screens (or conversations) that the UI staff use for interfacing with the UI databases need to be changed to include the various ABP provisions. These changes may be extensive since they have to be made to all screens that refer to monetary determinations and calculations.

IV.A.8 Changes in On-Line Help Modules

The on-line help modules will have to be modified to include instructions about the ABP law and the ABP screens (conversations).

IV.A.9 Changes that Are Specific to ABPs that Include the Current Quarter

If the current quarter is used to determine eligibility, then weekly wages might be needed from the employer. Changes need to be made in the forms and modules that request wages so that weekly wages can be requested. Once the wages in the current quarter have been used, information on the weeks for which wages have been used needs to be stored. This information will be needed if the claimant applies for UI benefits in the next benefit year and his/her wages from the rest of the current quarter are to be used.

when the corresponding wages are obtained through quarterly wage reports. In Washington, wage request forms are completed manually by local UI office staff.

⁴ The UI systems of some states already allow the lag and current quarter wage information to be entered and stored on the database.

IV.B HARDWARE PURCHASES

The increase in the volume of monetary determinations and valid monetary claims due to ABP provisions may require the purchase of computer-related equipment such as personal computers, computer terminals, and/or printers.

V. IMPLEMENT THE COMPUTER SYSTEM CHANGES

V.A IMPLEMENT CHANGES BEFORE LAW BECOMES EFFECTIVE

Once an ABP statute becomes effective, the state will begin receiving ABP claims within a short period of time. If the computer systems are not ready to begin processing those claims, they will have to be processed manually, increasing administrative costs. Also, if the UI agency staff has not had the opportunity to become accustomed to the computer system changes prior to implementation, processing times may be significantly increased. Because ABP claim processing times must conform to federal regulations, delays due to processing difficulties should be avoided. Implementing the computer changes ahead of time also provides the UI agency the opportunity to work out hardware and software problems prior to the arrival of new claims.

V.B MAKE THE CHANGES ALONG WITH OTHER FUNDAMENTAL CHANGES TO THE COMPUTER SYSTEM

Some state UI agencies are currently planning to change their computer systems from hierarchical flat-file database systems to the more modern relational database systems or object oriented database systems. If a state UI agency is planning or otherwise foresee fundamental changes upcoming in the computer system, they should attempt to make the ABP alterations when the other fundamental changes are being made. If the ABP alterations are made before the other changes are completed, then the ABP alterations may have to be repeated. Such replication will increase the administrative costs of implementing the ABP.

V.C IMPLEMENT COMPUTER SYSTEM CHANGES WITH INTERNAL PERSONNEL

The one-time costs of implementing changes to the UI software system will be significantly lower if internal personnel already familiar with the UI software system implement these changes. The costs are typically much higher if outside contractors are used. The UI software systems are large and complex, and the outside contractors will have to spend a large amount of time trying to understand the system before implementing the changes. Internal personnel already familiar with the system will not need to spend this time and are usually less costly than outside contractors. If internal personnel are too busy, part-time workers can be used to perform their regular functions so that the internal personnel can make the required programming changes.

All of the states currently studied have used internal personnel to make the changes in their software.

V.D TEST CHANGES ON SUBSET OF COMPUTERS

Not unlike the pilot programs discussed above, testing ABP changes on a subset of the agency's computers offers state UI agencies an excellent opportunity to work out "bugs" prior to the full-scale implementation. Ideally, these test subsets should include those computers used at the pilot

program sites. Running tests on a selected subset of computers prior to full implementation can significantly reduce or even eliminate administrative costs from errors, omissions, or oversights that might otherwise have occurred during the full implementation of the ABP.

V.E SINGLE CENTRAL SOURCE

There are certain to be computer-related questions from headquarters staff as well as from field personnel during and after the implementation process. As with process change information, one individual or office should be designated as a clearinghouse for ABP information. That individual or office should be selected from those most intimately familiar with the ABP implementation process and the changes to the computer system, and, wherever possible, the same individual or office should be designated as a clearinghouse for process change information. In addition, this single clearinghouse arrangement will permit the UI agency to compile the most frequently asked questions on both computer and process matters and disseminate the answers to the entire organization.

V.F STEPS OF IMPLEMENTING PROGRAMMING CHANGES

The generic set of steps that should be followed to implement the programming changes are listed below.

First Phase

- Problem definition, preparation of time and cost estimates
- Collection and study of existing documentation
- Interviewing users on the problem

Second Phase

- Identification of data elements and relational changes
- Preparation of specifications for system changes
- Review of changes with users
- Revision of screen layouts
- Update of records/segment definitions
- Preparation of conversion plans and specifications
- Coding and compilation of program changes and addition
- Test of Modules

Third Phase

- Preparation of system acceptance test plan
- Preparation of system acceptance test files
- Conduction of system acceptance test
- Operations review and acceptance
- Production moves and start-up
- Post implementation support

APPENDIX I

STAFF TRAINING PLAN FOR IMPLEMENTATION OF ALTERNATE BASE YEAR IN NEW JERSEY

GRAND TOTAL - 35,385 HOURS

FOR JULY LAW CHANGE

1785 DAYS X 7 HOURS =
12,495 HOURS

<u>DATE:</u>	<u>AUDIENCE</u>	<u>CONTENT</u>	<u>NUMBERS</u>	<u>DAYS</u>
June 19	<u>Technicians</u> UI Technician I - 15	Train the Trainer	15	15
June 20	<u>Managers and</u> <u>Technicians</u> Managers - 40 UI Technician I - 15	Overview of law, procedure & system	55	55
By June 30	<u>Experts</u> <u>3 per LO - 108</u> 36 Sr. Claims Exam 72 Sr. UI Clerks <u>Adj. Unit - 6</u> 1 UI Tech I 1 UI Tech II 4 UI Tech III <u>4F Disability - 20</u> 5 Sr. Claims Exam. 15 Sr. UI Clerks <u>CWC Unit - 6</u> 1 Sr. Claims Exam. 5 Sr. UI Clerks	Same as June 20 plus refresher & computer	150	300
	<u>Central Office - 10</u> 10 UI Tech I			
After June 30	<u>Remaining Staff</u> <u>Local Office - 1300</u> UI Clerks Sr. UI Clerk Claims Exam. Sr. Claims Exam.	Same as June 20	1415	1415

<u>Appeal Tribunal - 60</u> 40 Appeal Exam I 20 UI Clerks				
<u>DATE:</u>	<u>AUDIENCE</u>	<u>CONTENT</u>	<u>NUMBERS</u>	<u>DAYS</u>
<u>Board of Review - 10</u> 7 Referees 3 Members				
<u>Benefit Payment Control - 20</u> 15 Investigator II 3 Investigator I 2 Supervising Investigator				
<u>Quality Control - 15</u> 2 UI Tech I 12 UI Tech II 1 Supervising UI Tech				
<u>Planning/Research - 10</u> 1 Supervising Labor Market Analyst 2 Labor Market Analyst I 8 Labor Market Analyst II				
<u>FOR OCTOBER LAW CHANGE</u>		<u>1635 DAYS X 7 HOURS =</u>		
By 9/30 All Staff		<u>11,445 HOURS</u>	1635	1635
		Overview of law procedure & system		
<u>FOR JANUARY LAW CHANGE</u>		<u>1635 DAYS X 7 HOURS =</u>		
By 12/31 All Staff		<u>11,445 HOURS</u>	1635	1635
		Overview of law procedure & system		
<u>TECHNICAL RESOURCES UNIT</u> <u>ALTERNATE BASE YEAR TRAINING</u> <u>GRAND TOTAL FOR TRU - 3,192 HOURS</u>				
<u>FOR JULY LAW CHANGE</u>		<u>174 Days X 7 Hours =</u>		
		<u>1218 Hours</u>		
1 Supervising Technician		6 Days = 42 Hours		
8 UI Technicians I		168 Days = 1176 Hours		
<u>FOR OCTOBER LAW CHANGE</u>		<u>108 Days X 7 Hours =</u>		
		<u>756 Hours</u>		
1 Supervising Technician				
8 UI Technician I				
<u>FOR JANUARY LAW CHANGE</u>		<u>174 Days X 7 Hours =</u>		

	<u>1218 Hours</u>
1 Supervising Technician	6 Days = 42 Hours
8 UI Technician I	168 Days = 1176 Hours

APPENDIX II

ABP Statutory Schemes for Selected States

New Jersey

“Base Year” means the first four of the last five completed calendar quarters,

but if claimant does not have sufficient qualifying weeks or wages then

“Alternate Base Year” means the last four completed calendar quarters,

but if claimant still does not have sufficient qualifying weeks or wages then

“Alternate Base Year” means the last three completed calendar quarters plus the portion of the quarter which occurs before the commencing of the claimant’s benefit year.

In addition:

1. The department shall inform potential ABP claimants of this option.
2. If wage data from quarterly wage reports are unavailable, eligibility determination may be based on claimant’s affidavit.
 - Claimant shall furnish supporting documentation where available.
 - Determination of benefits to be adjusted when quarterly wage report is received from the employer.
3. Statute allows for additional modification of the base period under certain conditions where the claimant was subject to certain temporary disabilities immediately preceding the claimant’s benefit year.

Washington

“Base Year” means *either* the first four of the last five completed calendar quarters *or* the last four completed calendar quarters,

but

Claimant must fail to establish a benefit year in the first four of the last five completed calendar quarters before the last four completed calendar quarters may be used.

In addition:

1. Claimant may not reuse wages already used to establish a previous benefit year.
2. ABP computations shall be based on wage data available at the time of the claim, but wage requests are to be sent to employers promptly.

Maine

“Base Period” means the first four of the last five completed calendar quarters,

but if either

The claimant does not have sufficient qualifying weeks or wages,

or

The first quarter of the last five completed calendar quarters has already been used to establish a previous claim,

then

“Base Period” means the last four completed calendar quarters.

In addition:

1. Claimant may not reuse wages already used to establish a previous benefit year.
2. If wage data from quarterly wage reports are unavailable, then wage data requests shall be sent to employers.
 - If information furnished by employer causes a revised monetary determination, no overpayment will be charged to claimant provided claimant did not knowingly misrepresent information requested from claimant.

Ohio

“Base Period” means the first four of the last five completed calendar quarters,

but if claimant does not have sufficient qualifying weeks or wages *then*

“Alternate Base Period” means the last four completed calendar quarters.

In addition:

1. If wage data from quarterly wage reports are unavailable, eligibility determination may be based on claimant’s affidavit.
 - Claimant shall furnish supporting documentation where available.
 - Determination of benefits to be adjusted when quarterly wage report is timely received from the employer.

Vermont

“Base Period” means the first four of the last five completed calendar quarters,

but if claimant does not have sufficient qualifying weeks or wages *then*

“Alternate Base Period” means the last four completed calendar quarters,

but if claimant *still* does not have sufficient qualifying weeks or wages *then*

“Base Period” means the last three completed calendar quarters plus all wages paid in the current quarter prior to the effective date of the claim.

In addition:

1. Claimant may not reuse wages already used to establish a previous benefit year.

Massachusetts

“Base Period” means the last four completed calendar quarters,

but if either

The claimant does not have sufficient qualifying weeks or wages,

or

The claimant has reason to believe that he would be eligible for an increase of ten percent or more in total benefit credit,

and
The claimant has presented credible substantiation in writing (such as a wage statement),
and
The Commissioner has verified this by wage request to the employer,

then

“Base Period” means the last three completed calendar quarters plus any weeks in which wages were paid to the claimant in the current quarter.

In addition:

1. Potential ABP claimants shall be informed of this option.
2. Claimant may not reuse wages already used to establish a previous benefit year.
3. Where claimant received temporary total disability payments for certain illnesses or injuries for at least seven weeks during the base period, claimant’s base period shall be extended by that number of weeks (up to a maximum of fifty two weeks).